Broadening of tax base

2077. SHRI M.V. RAJASEKHARAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are satisfied with the initiative taken to broaden the tax base;

(b) whether by increasing the tax base the revenue collection has actually increased when compared to the expenditure incurred on in its administrative overheads; and

(c) if the tax collection is same as earlier, whether Government propose to exempt some sections of society for filing Income Tax returns to save the overhead costs of its administration?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) The initiatives taken by the Government to broaden the tax base will fructify fully in the long run. However, the results so far have been by and large satisfactory. For example, the number of assessees have increased from 182.26 lakhs in FY 1998-99 to 300.02 lakhs in FY 2001-2002, an increase of around 65%.

(b) Whereas the cost of collection in FY 2001-2002 has increased by only 8.3% as compared to FY 1998-99, the number of assessees have increased by 65% and the Direct Tax collections have increased by 52.4% during the corresponding period as is evident from the following figures:-

	FY 98-99	FY 01-02
Cost of collection	8.52 crores	923 crores
No. of assessees	182.26 lakhs	300.02 lakhs
Total Tax collections	44,769 crores	68,221 crores

(c) Does not arise in view of (b) above.

VRS compensation by banks

2078. SHRI R.P. GOENKA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the total amount of VRS compensation that the banks have so far given out;

(b) how many employees have opted for VRS and how many applications have been accepted; and

(c) how the VRS has been financed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) An amount of Rs. 7351 crores has been paid by the Banks as cost of ex-gratia.

(b) Out of 1.27 lakh applications received under the Scheme, 1.02 lakh applications were accepted.

(c) The Voluntary Retirement Scheme has been financed by the banks from their own resources. However, the expenditure, i.e., the amount of ex-gratia and the additional expenses on account of pension, gratuity, leave encashment in excess of provisions available have been amortized as per provisions contained in the Income Tax Act over a period of five years.

New bonds by ICICI

2079. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether ICICI has issued any new bond recently; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The first tranche of Tax Saving Bond, regular Income Bond and Children Growth Bond (in the nature of Deep Discount Bond) opened for subscription on 6.1.2003 and closed for subscription on 27.1.2003. These bonds were unsecured in nature and rated AAA by ICRA and CARE. The second tranche opened for subscription on 14.2.2003 and closed for subscription on 4.3.2003.